

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

AMERICAN GENERAL LIFE  
INSURANCE COMPANY,

Plaintiff,

v.

WILLIAM H. PORTER, SR., PETER S.  
PORTER AND DOES 1-10,

Defendants.

Case No. 8:15-cv-01275-CJC-DFM

**JUDGMENT OF DISCHARGE IN  
INTERPLEADER AND FOR  
DISTRIBUTION OF  
INTERPLED FUNDS**

**Complaint Filed: August 10, 2015**

The stipulation of plaintiff, American General Life Insurance Company as successor in interest to The Old Line Life Insurance Company of America ("American General"), and defendants William H. Porter, Sr., and Peter S. Porter (collectively William H. Porter, Sr. and Peter S. Porter referred to hereinafter as "Defendants") (American General and Defendants referred to hereinafter as "the Parties"), came before this Court in due course. For good cause appearing the stipulation is GRANTED.

IT IS HEREBY ORDERED:

1. That, on or about June 3, 2000, Vicki L. Porter ("Decedent"), applied for a life insurance policy from The Old Line Life Insurance Company of America. At the time of applying for the policy, Decedent designated her then husband, defendant

1 William Porter as primary beneficiary and her son, Peter S. Porter, as contingent  
2 beneficiary;

3 2. That, on or about July 17, 2000, American General issued term life  
4 insurance policy no. MM0115671 ("the Policy") with a face value of \$163,000.00.

5 3. That, on or about August 13, 2013, Decedent and defendant William  
6 Porter divorced and a Judgment of Dissolution was entered as of that date;

7 4. That, Decedent died on or about May 3, 2015;

8 5. That, on May 11, 2015, after defendant William Porter called American  
9 General and advised of Decedent's death, American General wrote to Defendant  
10 William Porter and advised that American General would need a certified copy of the  
11 death certificate, the Proof of Death Claimant's Statement, the original contract and  
12 the obituary, if available;

13 6. That, on or about May 22, 2015, American General received the claim  
14 for the \$163,000.00 death benefits from defendant William Porter, identifying himself  
15 as "divorced" from Decedent;

16 7. That, on or about June 8, 2015, defendant William Porter wrote to  
17 American General, enclosing a copy of the General Judgment of Dissolution of  
18 Marriage and Money Award dated August 13, 2013;

19 8. That, the Judgment of Dissolution included a provision whereby any life  
20 insurance policy issued prior to the divorce where the former spouse was named as  
21 beneficiary, such beneficiary designation was deemed revoked as follows: "Except as  
22 otherwise provided herein, any designation of the now former spouse as a beneficiary  
23 of any benefit, including but not limited to ... life insurance policies ... shall be  
24 deemed to have been revoked effective with the entry of this judgment. The benefit  
25 shall be paid to the secondary or contingent beneficiary or, if no beneficiary is named,  
26 then to the decedent's estate. The surviving former spouse shall cooperate with the  
27 decedent's estate in assuring this directive is completed within nine (9) months of the  
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1 date of the death to assure that the surviving former spouse does not receive any  
2 benefit as a result of the decedent's failure to modify the beneficiary designation of  
3 the above-described assets."

4 9. That, the Judgment of Dissolution also includes a provision under  
5 Section 6C where each spouse was to maintain an existing term life insurance policy  
6 then in effect naming the other spouse as irrevocable beneficiary. Section 6C provides  
7 in relevant part: "Each party shall maintain their term life insurance policy currently in  
8 effect naming each other as irrevocable beneficiary.";

9 10. That, on or about June 11, 2015, American General received fax from  
10 Joseph Porter, identifying himself as executor of Decedent's estate and as Decedent's  
11 son. Included with the fax was a copy of Decedent's Last Will and Testament  
12 reflecting the appointment of Joseph Porter as executor, stating that he believed  
13 defendant William Porter was not the beneficiary according to the divorce decree and  
14 enclosed a section of the Judgment which he believed prevented defendant William  
15 Porter from claiming the death benefit; Joseph Porter further requested that no action  
16 be taken on defendant William Porter's claim until such time as he was able to  
17 "review everything." ;

18 11. That, on or about June 23, 2015, American General spoke with defendant  
19 William Porter and advised that the language of the Judgment was contradictory and  
20 therefore, American General could not pay out the proceeds without risk, and that if  
21 he and contingent beneficiary Peter Porter could agree on a division of the proceeds,  
22 American General would honor it, that if an agreement could not be reached,  
23 American General would interplead the funds;

24 12. That, on June 29, 2015, defendant William Porter called American  
25 General and advised that the proposed agreement with defendant Peter Porter was no  
26 longer a viable option as defendant Peter Porter would be unavailable for three months  
27 and thus unable to sign an agreement;

1           13. That, on account of the death of the Decedent, a death benefit under the  
2 Policy became payable in the amount of \$163,000.00;

3           14. That, American General is, and at all time mentioned in this Complaint  
4 ready, willing, and able, to pay the life insurance proceeds under the Policy to the  
5 person or persons legally entitled thereto, but that by virtue of the fact that the  
6 Judgment requires the former spouse relinquish any interest in the death benefit in  
7 favor of the contingent beneficiary, while at the same time requiring the former spouse  
8 to maintain term life insurance in favor of former spouse, it cannot determine who is  
9 entitled to the death benefit;

10           15. That, Defendants and each of them, are persons known to American  
11 General to be asserting some right, title, or interest in the death benefits which are the  
12 subject of this Complaint, and/or potentially could assert some right, title or interest in  
13 the proceeds, hence, there are conflicting potential demands upon American General;

14           16. That, American General is unable to determine with certainty the validity  
15 of the actual and potential conflicting demands that are and may be made by  
16 defendants herein as described above, and cannot determine whom to pay;

17           17. That, American General may be exposed to multiple claims or liability  
18 should it make payment of the benefits to an individual or individuals not entitled to  
19 the benefits;

20           18. That, by reason of the actual and potential conflicting claims to the life  
21 insurance proceeds and the fact that the Judgment contains conflicting provisions,  
22 American General does not know and cannot determine the person or persons legally  
23 entitled to payment;

24           19. That, American General claims no interest in the life insurance proceeds  
25 or any part thereof, other than as a mere stakeholder of those proceeds, and as a result  
26 of the actual and potential conflicting, but apparently potentially valid claims of  
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1 Defendants, is indifferent as to which person should receive the death benefit  
2 proceeds;

3 20. That, American General properly filed the Complaint in Interpleader in  
4 good faith and without collusion with any of the parties hereto to resolve all disputes  
5 over the life insurance proceeds;

6 21. That, American General has no other means of protecting itself from the  
7 vexation of duplicative claims and therefore was entitled to interplead the life  
8 insurance proceeds into this Court and to obtain judgment of this Court releasing  
9 American General from further participation in this matter, and for its fees and costs  
10 in interpleading the funds;

11 22. That American General is a disinterested stakeholder and is indifferent to  
12 which defendant or defendants are entitled to the death benefit payable under the  
13 Policy;

14 23. That, this Court has jurisdiction pursuant to: (1) 28 U.S.C. 1335 as there  
15 are two or more adverse claimants of diverse citizenship and American General has  
16 deposited funds in controversy herein, which funds are over the required statutory  
17 minimum of \$500; (2) 28 U.S.C. §1332 because diversity exists between Plaintiff  
18 American General and the defendants, as American General and Defendants are  
19 citizens of different states and the amount in controversy exceeds \$75,000.00 since the  
20 amount of life insurance benefits as stake is \$163,000.00 plus interest due on the death  
21 benefits; and (3) Rule 22 of the Federal Rules of Civil Procedure;

22 24. That, Defendants consent to the personal and subject matter jurisdiction  
23 of this Court;

24 25. That, American General properly filed the Complaint for Interpleader and  
25 Declaratory Relief in this action and stated a proper cause for interpleader;

26 26. That, American General and Defendants agree that the \$163,509.89  
27 interpled by American General with the Court in this action, plus any interest accrued  
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1 while on deposit with the Court shall be paid as follows: 1) a check in the amount of  
2 \$63,000 shall be made payable to "Joseph S. Porter," 12957 S.W. Timara Lane,  
3 Oregon 97224, 2) a check for \$100,000 with all interest accrued shall be made payable  
4 to "William H. Porter, Sr.," 550 Cienaga Lane, Grants Pass, Oregon 97526.

5 27. That, the Parties agree that Does 1-10 named in the Complaint shall be  
6 dismissed without prejudice from this action;

7 28. That, having brought this action and deposited with the Court the death  
8 benefit due under the Policy plus accrued interest, in the amount of \$163,509.89,  
9 American General shall be discharged from any and all liability to Defendants as well  
10 as their heirs, successors, assigns, representatives, agents and/or anyone purporting to  
11 act on their behalf, based upon and/or with respect to the terms of the Policy, the death  
12 benefit payable under the Policy, the death of Decedent and/or Defendants' claim for  
13 the death benefit payable under the Policy;

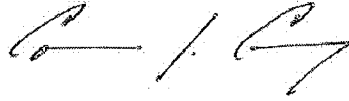
14 29. That the Court, including its appropriate representative, shall pay and/or  
15 distribute the \$163,509.89 interpled by American General in this action as set forth in  
16 this Stipulation and in the Stipulated Judgment to be entered in this action;

17 30. That Defendants and their heirs, successors, assigns, representatives,  
18 agents and/or anyone purporting to act on their behalf, shall be permanently restrained  
19 and/or prohibited from instituting or prosecuting any proceeding in any state court,  
20 United States Court or administrative tribunal against American General based upon  
21 and/or with respect to the terms of the Policy, the death benefit payable under the  
22 Policy, defendant William H. Porter Sr.'s claim for the death benefit payable under  
23 the Policy, and American General's handling of the Policy, administration of the  
24 Policy or its handling of defendant William H. Porter, Sr.'s claim for the death  
25 benefit;

26 31. That, American General is entitled to a judgment of discharge in  
27 interpleader in its favor in this action as to Defendants; and  
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1           32. That, all parties are to bear their own fees and costs with respect to the  
2 litigation of this action, including with respect to this Stipulation and the Stipulated  
3 Judgment entered thereon.

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5 Date: October 8, 2015



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HON. CORMAC J. CARNEY  
UNITED STATES DISTRICT JUDGE